

Message Text

PAGE 01 TEL AV 02959 150804Z

43

ACTION EB-07

INFO OCT-01 NEA-09 ISO-00 COME-00 TRSE-00 OPIC-03 AID-05

/025 W

----- 029942

R 150723Z MAY 75

FM AMEMBASSY TEL AVIV

TO SECSTATE WASHDC 6681

LIMITED OFFICIAL USE TEL AVIV 2959

PASS EB/CBA/OCA

E O 11652: N/A

TAGS: ETRD, IS

SUBJECT: BUSINESS CONSULTATION PROGRAM

REF: A. STATE 104370

B. TEL AVIV 2736

C. TEL AVIV 1659

D. TEL AVIV 2260

E. TEL AVIV 7470 (12/27/74)

1. NUMEROUS MAJOR PROJECTS AND PRODUCT OPPORTUNITIES IN ISRAEL HAVE RECEIVED LITTLE ATTENTION FROM US MANUFACTURERS AND SUPPLIERS. EMBASSY BELIEVES MUCH GREATER INTEREST COULD BE GENERATED BY VISIT OF COMMATT LEE COLLINS TO SELECTED US COMPANIES ALONG LINES REF A. WITHOUT COLLINS VISIT, IT IS PROBABLE US SUPPLIERS WILL NOT FOLLOW UP LEAD AND THUS LOSE SIGNIFICANT EXPORT SALES. MOREOVER, RECENTLY CONCLUDED EC/ISRAEL TRADE AGREEMENT SERVES TO HIGHLIGHT SERIOUS EUROPEAN COMPETITION US EXPORTS FACE IN ISRAEL PER REF B.

2. FOLLOWING ARE SEVERAL SPECIFIC PROSPECTS THAT COLLINS WILL BE ABLE TO PURSUE ON PROJECTED VISIT TO US:

A. KOOR, GIANT HISTADRUT INDUSTRIAL COMPLEX AND CLAL HOLDING COMPANY, ISRAEL'S LARGEST PRIVATELY-OWNED CORPORATION, PLAN TO INVEST ABOUT DOLS 83 MILLION IN NEW BEIT GUVVIN CEMENT PLANT.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 TEL AV 02959 150804Z

PROJECT HAS BLESSING OF MINISTRY OF COMMERCE AND INDUSTRY AND MINISTERIAL ECONOMIC COMMITTEE. ISRAELI COMPANY WHICH WAS FORMERLY INVESTING IN CEMENT PROJECT AND DROPPED OUT, SOLEL BONEH, WAS NEGOTIATING WITH ALLIS CHALMERS, MILWAUKEE,

WISCONSIN, FOR SUPPLY OF EQUIPMENT. KOOR INTERESTED IN BUYING EQUIPMENT FROM US SUPPLIER ALSO AND VISIT BY COMMATT TO ALLIS CHALMERS WOULD ALLOW US COMPANY TO PICK UP WHERE THEY LEFT OFF. ESTIMATED TIME REQUIRED FOR COMMATT'S CONSULTATION: 1 DAY.

B. LAGEEN BOX AND CAN FACTORY, LTD. (KIBBUTZ YAGUR) AND ISRAEL CAN CO., LTD., ARE TWO LARGEST ISRAELI CAN MANUFACTURING COMPANIES WHOSE ANNUAL REQUIREMENTS ARE 40,000 TONS OF TINPLATE. TOTAL TINPLATE SALES ESTIMATED AT DOLS 30 MILLION ANNUALLY (50,000 TONS) PER REF E. ABOVE HAVE TRIED TO PURCHASE TINPLATE FROM US. IN CONTRAST TO EUROPEANS, US FIRMS DO NOT CONTRACT FOR LONG DELIVERY PERIODS. COMMATT COULD VISIT AND CONSULT WITH FOLLOWING:

1. BETHLEHEM STEEL CORP. - BETHLEHEM, PENNA.
2. US STEEL - (INTERNATIONAL) NEW YORK
3. JONES & LAUGHLIN STEEL CORP. - PITTSBURG, PA.

ESTIMATED TIME REQUIRED: 3-DAYS.

C. MAKHTESHIM CHEMICAL WORKS, LTD., ISRAEL'S LARGEST INDUSTRIAL COMPLEX FOR PRODUCTION OF CROP PROTECTION CHEMICALS, WANTS TO BUY AGRICULTURAL CHEMICALS (PESTICIDES) FROM CHEVRON OIL, SAN FRANCISCO, CA, SHELL CHEMICALS, HOUSTON, TX, OR GULF OIL (CHEMICAL DIVISION), KANSAS CITY, KANSAS. ANNUAL REQUIREMENT DOLS 3-5 MILLION WITH POTENTIAL GROWTH TO DOLS 10 MILLION. ESTIMATED TIME: 3-4 DAYS. MAKHTESHIM ALSO INTERESTED IN JOINT VENTURE TO MANUFACTURE CHEMICALS IN ISRAEL FOR RE-EXPORT TO EUROPE/AFRICA AND ASIAN MARKETS. FIRMS ALREADY CONTACTED INCLUDE TENNECO, PISCATAWAY, NEW JERSEY, AND CHEMARGO, CO., KANSAS CITY, MISSOURI. MAKHTESHIM HAS BEEN UNSUCCESSFUL IN GETTING RESPONSE FROM US COMPANIES. CONSULTATION WITH ABOVE COMPANIES MAY PROVE USEFUL IN COMPLETING SUSPENDED ARRANGEMENTS. ESTIMATED TIME REQUIRED: 2 DAYS.

D. GOI MINISTRY OF COMMUNICATIONS INTERESTED IN PURCHASING 500 TELEPRINTERS AND PARTS, ESTIMATED VALUE DOLS 6 MILLION, WITH LIKELIHOOD OF FOLLOW-UP ORDERS. AT A LATER STAGE MINISTRY INTERESTED THAT AN ISRAELI ASSEMBLY FACILITY BE ESTABLISHED USING TELETYPE PARTS AND COMPONENTS. PRELIMINARY NEGOTIATIONS ARE UNDER WAY WITH KOOR INDUSTRIES. DIRECTOR-LIMITED OFFICIAL USE
LIMITED OFFICIAL USE

PAGE 03 TEL AV 02959 150804Z

GENERAL OF MINISTRY, SIMCHA SOROKER, PREPARED TO TALK SERIOUSLY WITH EXECUTIVES OF TELETYPE CORP., SKOKIE, IL, PER REF C, HOWEVER, WANTS TO DEAL WITH THEM DIRECTLY. APPEARS NOW THAT STICKY POINT IN NEGOTIATIONS WITH TELETYPE IS DESIRE TO OBTAIN MAXIMUM TELETYPE PARTICIPATION AND PRESENCE IN ISRAEL, HOWEVER, ISRAEL MAY BE FLEXIBLE ON THAT POINT PER REF D. COMMATT'S VISIT COULD ALLAY APPREHENSION OF TELETYPE AND WOULD PROVIDE CLOSE CONTACT WITH COMPANY. ESTIMATED TIME REQUIRED: 1-DAY.

3. IN ADDITION TO AFOREMENTIONED SPECIFIC PROJECTS, EMB IS ATTEMPTING COLLECT DETAILED DATA ON FOLLOWING LARGE PROJECTS

WHICH OFFER GREAT POTENTIAL FOR U.S. EXPORTERS. THESE
PROJECTS INCLUDE:

- A. HADERA COAL-FUELED POWER STATION - DOLS 440 MILLION
- B. CHEMICAL PROCESSING EQUIPMENT - DOLS 400 MILLION
- C. ISRAEL PORTS EXPANSION - DOLS 350 MILLION
- D. EILAT ASHDOD LAND BRIDGE - DOLS 150 MILLION

4. FREQUENTLY , ISRAELI COMPANIES TELL US THAT THEY HAVE NOT
BEEN ABLE TO STIMULATE INTEREST IN ABOVE PROJECTS GENERALLY
BECAUSE OF ARAB BOYCOTT PRESSURES. EMB BELIEVES THAT COLLINS'
VISIT WOULD HELP REASSURE ISRAELIS AND U.S. BUSINESSMEN THAT
USG HAS GENUINE INTEREST IN ENCOURAGING INCREASE IN COMMERCIAL
TIES BETWEEN TWO COUNTRIES AND AT SAME TIME, HOPEFULLY,
GENERATING SIGNIFICANT U.S. EXPORTS TO ISRAEL.
VELIOTES

LIMITED OFFICIAL USE

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: X
Capture Date: 26 AUG 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TRADE AGREEMENTS, PROGRAMS (PROJECTS), BUSINESS FIRMS
Control Number: n/a
Copy: SINGLE
Draft Date: 15 MAY 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ElyME
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975TELAV02959
Document Source: ADS
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: n/a
Film Number: D750171-0037
From: TEL AVIV
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t197505100/baaaaesd.tel
Line Count: 126
Locator: TEXT ON-LINE, TEXT ON MICROFILM
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: ElyME
Review Comment: n/a
Review Content Flags:
Review Date: 08 AUG 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <08 AUG 2003 by izenbei0>; APPROVED <28 NOV 2003 by ElyME>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: n/a
TAGS: ETRD, IS
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006